

2012 Franklin County Property Tax Report with Comparison to 2011

Legislative Services Agency

August 2012



This report describes property tax changes in Franklin County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Franklin County the average tax bill for all taxpayers increased 3.6%. This tax bill rise was the result of a 3.6% increase in the tax levy of all local government units, combined with a 2.6% rise in certified net assessed value. Other residential assessments increased the most, but homestead and business assessments also increased. Agricultural assessments declined because a large number of agricultural parcels were reclassified to other categories. A levy increase that exceeded assessment growth caused tax rates to rise in most Franklin County tax districts. This caused a small 0.2% increase in tax cap credits as a percent of the levy in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	3.6%	\$13,682,859	\$981,387,086	0.3%
Change		3.6%	2.6%	0.2%
2011	7.2%	\$13,201,594	\$956,619,048	0.1%

Homestead Property Taxes

Homestead property taxes increased 2.1% on average in Franklin County in 2012. Tax rates in a majority of Franklin County tax districts increased, and the county average tax rate rose 1.0%. Few homesteads in Franklin County are at their tax caps, because tax rates are so low. The percentage of homesteads at their caps rose slightly, from 0.4% in 2011 to 1.0% in 2012.

Comparable Homestead Property Tax Changes in Franklin County

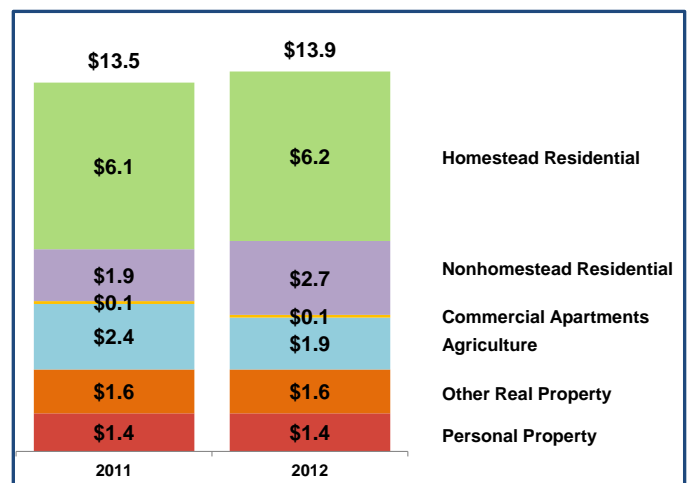
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	3,938	60.7%
No Change	132	2.0%
Lower Tax Bill	2,419	37.3%
Average Change in Tax Bill	2.1%	
Detailed Change in Tax Bill		
20% or More	249	3.8%
10% to 19%	263	4.1%
1% to 9%	3,426	52.8%
0%	132	2.0%
-1% to -9%	2,134	32.9%
-10% to -19%	165	2.5%
-20% or More	120	1.8%
Total	6,489	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

The largest part of Franklin County's 2012 net property taxes were paid by homeowners, and by business owners on their land and buildings (other real) and equipment (personal property). Net tax bills for all taxpayers increased 3.6% in Franklin County in 2012. Net taxes were much higher for nonhomestead residential property (mostly small rentals and second homes), and higher for homesteads, other real and personal property. Net taxes decreased for agricultural property and commercial apartments.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in a majority of Franklin County tax districts. The average tax rate rose by 1.0%, because the increase in the levy exceeded the increase in net assessed value.

Levies in Franklin County increased by 3.6%. The largest levy increase was in the county unit, mainly due to increases in a bond fund. The Franklin County Library general fund and capital projects fund levies also increased. The Franklin County School Corporation had decreases in its capital projects, bus replacement, transportation, and debt service funds.

Franklin County's total net assessed value increased 2.9% in 2012. Agricultural net assessments fell by 21.9% because of a large number of parcel reclassifications from agricultural use to residential or other use. Assessments on property that had an agricultural use in both 2011 and 2012 rose 10.9% due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$973,492,209	\$979,780,700	0.6%	\$450,416,529	\$456,721,918	1.4%
Other Residential	138,111,600	198,236,200	43.5%	136,580,522	196,692,564	44.0%
Ag Business/Land	188,477,200	147,392,200	-21.8%	187,388,354	146,388,670	-21.9%
Business Real/Personal	252,534,361	252,344,223	-0.1%	200,056,130	202,776,261	1.4%
Total	\$1,552,615,370	\$1,577,753,323	1.6%	\$974,441,535	\$1,002,579,413	2.9%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Franklin County were \$42,483, or 0.3% of the levy. This was much less than the state average percentage of the levy of 9.2%, and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Franklin County's tax rates were much lower than the state median.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category. The largest percentage losses were in the town of Brookville, in the one tax district in the county where the tax rate exceeded \$2 per \$100 assessed value. The largest dollar losses were in the town of Brookville and the Franklin County School Corporation.

Tax Cap Credits by Category

Tax cap credits increased in Franklin County in 2012 by \$24,298, or 133.6%. The percentage of the levy lost to credits rose by 0.2%, but remained extremely low. There were no major changes in state policy to affect tax cap credits in 2012. Franklin County credits increased mainly because many district tax rates increased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$2,662	\$8,192	\$5,530	207.7%
2%	10,073	29,671	19,598	194.6%
3%	0	0	0	0.0%
Elderly	5,450	4,620	-830	-15.2%
Total	\$18,185	\$42,483	\$24,298	133.6%
% of Levy	0.1%	0.3%		0.2%

Franklin County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	20,140,844	12,128,545	12,739,280	13,201,594	13,682,859	-39.8%	5.0%	3.6%	3.6%
State Unit	26,073	0	0	0	0	-100.0%			
Franklin County	3,136,346	2,766,897	2,812,303	2,979,867	3,477,055	-11.8%	1.6%	6.0%	16.7%
Bath Township	8,760	9,234	9,423	10,048	11,092	5.4%	2.0%	6.6%	10.4%
Blooming Grove Township	12,678	13,785	14,267	14,910	16,373	8.7%	3.5%	4.5%	9.8%
Brookville Township	41,280	43,661	45,789	49,769	51,808	5.8%	4.9%	8.7%	4.1%
Butler Township	7,787	8,469	8,737	9,158	9,390	8.8%	3.2%	4.8%	2.5%
Fairfield Township	8,553	9,402	9,748	9,999	9,965	9.9%	3.7%	2.6%	-0.3%
Highland Township	13,364	14,352	14,847	15,542	16,870	7.4%	3.4%	4.7%	8.5%
Laurel Township	15,790	17,253	17,722	18,380	18,766	9.3%	2.7%	3.7%	2.1%
Metamora Township	15,015	16,282	16,737	17,347	18,875	8.4%	2.8%	3.6%	8.8%
Posey Township	6,207	6,869	7,013	7,981	7,930	10.7%	2.1%	13.8%	-0.6%
Ray Township	19,835	21,877	20,150	20,621	24,280	10.3%	-7.9%	2.3%	17.7%
Salt Creek Township	8,416	9,394	8,629	10,311	10,657	11.6%	-8.1%	19.5%	3.4%
Springfield Township	16,559	17,847	18,396	13,491	16,375	7.8%	3.1%	-26.7%	21.4%
Whitewater Township	31,322	34,654	35,470	37,671	40,796	10.6%	2.4%	6.2%	8.3%
Batesville Civil City	494,151	472,543	494,112	484,082	518,395	-4.4%	4.6%	-2.0%	7.1%
Cedar Grove Civil Town	3,383	2,843	2,841	2,839	3,576	-16.0%	-0.1%	-0.1%	26.0%
Laurel Civil Town	30,458	32,431	33,825	37,786	39,189	6.5%	4.3%	11.7%	3.7%
Mt. Carmel Civil Town	0	0	0	0	0				
Oldenburg Civil Town	121,053	117,690	129,322	135,417	141,039	-2.8%	9.9%	4.7%	4.2%
Brookville Civil Town	494,482	525,302	569,974	608,544	662,104	6.2%	8.5%	6.8%	8.8%
Franklin County Community School Corp	10,811,711	5,171,994	5,504,281	5,955,163	5,483,182	-52.2%	6.4%	8.2%	-7.9%
Batesville Community School Corp	3,625,431	1,725,543	1,876,654	1,818,744	1,919,834	-52.4%	8.8%	-3.1%	5.6%
Union County School Corp	478,175	347,272	341,391	363,759	381,237	-27.4%	-1.7%	6.6%	4.8%
Franklin County Public Library District	469,170	495,019	494,181	330,750	542,625	5.5%	-0.2%	-33.1%	64.1%
Batesville Public Library	129,690	128,565	130,253	131,751	140,735	-0.9%	1.3%	1.2%	6.8%
Southwest Franklin Co Fire Territory	0	0	0	0	0				
Southeastern Indiana Solid Waste Mgmt	115,155	119,367	123,215	117,664	120,711	3.7%	3.2%	-4.5%	2.6%

Franklin County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates					Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
24001	Bath Township	1.6364	--	--	--	--	--	--	1.6364
24002	Blooming Grove Township	1.3440	--	--	--	--	--	--	1.3440
24003	Brookville Township	1.3280	--	--	--	--	--	--	1.3280
24004	Brookville Town	2.1469	--	--	--	--	--	--	2.1469
24005	Butler Township-East	1.1841	--	--	--	--	--	--	1.1841
24006	Butler Township-West	1.1120	--	--	--	--	--	--	1.1120
24007	Fairfield Township	1.3361	--	--	--	--	--	--	1.3361
24008	Highland Township	1.1962	--	--	--	--	--	--	1.1962
24009	Cedar Grove Town	1.2741	--	--	--	--	--	--	1.2741
24010	Laurel Township	1.3555	--	--	--	--	--	--	1.3555
24011	Laurel Town	1.9560	--	--	--	--	--	--	1.9560
24012	Metamora Township	1.3546	--	--	--	--	--	--	1.3546
24013	Posey Township	1.3330	--	--	--	--	--	--	1.3330
24014	Ray Township	1.1897	--	--	--	--	--	--	1.1897
24015	Batesville City	1.7666	--	--	--	--	--	--	1.7666
24016	Oldenburg Town	1.5431	--	--	--	--	--	--	1.5431
24017	Salt Creek Township-North	1.1925	--	--	--	--	--	--	1.1925
24018	Salt Creek Township-South	1.1204	--	--	--	--	--	--	1.1204
24019	Springfield Township	1.1916	--	--	--	--	--	--	1.1916
24020	Mt Carmel Town	1.1847	--	--	--	--	--	--	1.1847
24021	Whitewater Township	1.1969	--	--	--	--	--	--	1.1969
24022	Ray Township Fire Terr	1.2471	--	--	--	--	--	--	1.2471
24023	Salt Creek South Fire Terr	1.1849	--	--	--	--	--	--	1.1849
24024	Butler West Fire Terr	1.1771	--	--	--	--	--	--	1.1771
24025	Butler East Fire Terr	1.2492	--	--	--	--	--	--	1.2492
24026	Salt Creek North Fire Terr	1.2570	--	--	--	--	--	--	1.2570

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Franklin County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	8,192	29,671	0	4,620	42,483	13,682,859	0.3%
<i>TIF Total</i>	0	0	0	0	0	3,755	0.0%
<i>County Total</i>	8,192	29,671	0	4,620	42,483	13,686,614	0.3%
Franklin County	1,451	4,897	0	1,026	7,374	3,477,055	0.2%
Bath Township	0	0	0	0	0	11,092	0.0%
Blooming Grove Township	0	0	0	2	2	16,373	0.0%
Brookville Township	45	246	0	17	308	51,808	0.6%
Butler Township	0	0	0	0	0	9,390	0.0%
Fairfield Township	0	0	0	3	3	9,965	0.0%
Highland Township	0	0	0	2	2	16,870	0.0%
Laurel Township	0	0	0	2	2	18,766	0.0%
Metamora Township	0	0	0	5	5	18,875	0.0%
Posey Township	0	0	0	5	5	7,930	0.1%
Ray Township	16	0	0	15	31	24,280	0.1%
Salt Creek Township	0	0	0	2	2	10,657	0.0%
Springfield Township	0	0	0	0	0	16,375	0.0%
Whitewater Township	0	0	0	8	8	40,796	0.0%
Batesville Civil City	938	0	0	323	1,261	518,395	0.2%
Cedar Grove Civil Town	0	0	0	1	1	3,576	0.0%
Laurel Civil Town	0	0	0	5	5	39,189	0.0%
Mt. Carmel Civil Town	0	0	0	0	0	0	
Oldenburg Civil Town	0	0	0	128	128	141,039	0.1%
Brookville Civil Town	2,076	11,424	0	556	14,056	662,104	2.1%
Franklin County Community School Corp	2,007	11,041	0	1,311	14,359	5,483,182	0.3%
Batesville Community School Corp	1,152	0	0	912	2,064	1,919,834	0.1%
Union County School Corp	0	0	0	0	0	381,237	0.0%
Franklin County Public Library District	344	1,893	0	175	2,413	542,625	0.4%
Batesville Public Library	113	0	0	86	199	140,735	0.1%
Southwest Franklin Co Fire Territory	0	0	0	0	0	0	
Southeastern Indiana Solid Waste Mgmt Dist	50	170	0	36	256	120,711	0.2%
TIF - Batesville I-74	0	0	0	0	0	3,755	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.